ZAKAAH

IMPORTANCE OF ZAKAAH (Alms)

A unique and remarkable institution and major pillar, of *Islam* is *Zakaah*. *Zakaah* is either just a form of charity, almsgiving or tax, nor is it simply an expression of kindness, but rather it is all of these combined and much more. It is not merely a deduction of a certain percentage from one's property, but an abundant enrichment and spiritual investment. It is not simply a voluntary contribution to someone or some cause, nor a government tax that a shrewd, person can get away without paying. Rather, it is a duty enjoined by Allah ﷿ and undertaken by Muslims in the interest of society as a whole. The meaning of the *Qur'anic* word *Zakaah* not only includes charity, alms, kindness, official tax, voluntary contributions, etc., it also combines with all these Allah ﷿ mindedness and spiritual as well as moral motives. There can be no equivalent to the word *Zakaah* because of the supreme originality of the *Qur'an*, the Divine Book of Allah ﷿.

The literal and simple meaning of *Zakaah* is purity. As a technical term, the word designates the amount in kind or coin which Muslims with means must distribute annually among the rightful beneficiaries. But the religious and spiritual significance of *Zakaah* is much deeper and more lively. So is its humanitarian and sociopolitical value. Here are example of the far-reaching effects of *Zakaah:*

- *Zakaah* purifies the property of the people with means and clears it from the shares which do not belong to it any more, the shares which must be distributed among the due beneficiaries. When *Zakaah* is payable, a certain percentage of wealth should be distributed immediately in the right manner, because the owner no longer has moral or legal possession of that percentage. If one fails

to do so, one is obviously retaining something which does not belong to oneself. This is corruption and plain usurpation from every point of view, moral and spiritual, legal and commercial. It means that the unlawful retained percentages makes the whole lot impure and endangered. But, on the other hand, if the poor's dividends are distributed among due beneficiaries, the remaining portions of the lot will be pure and decent. Pure capital and decent possessions are the first requisites of permanent prosperity and honest transactions.

- *Zakaah* does not only purify the property of the contributor, it also purifies his/her heart from selfishness and greed for wealth. In return, it purifies the heart of the recipient from envy and jealousy, from hatred and uneasiness; and it fosters in the heart, instead, goodwill and warm wishes for the contributor. As a result, the society at large will purify and free itself from class conflict and suspicion, from ill feelings and distrust, from corruption and disintegration, and from all the attendant evils.
- *Zakaah* mitigates and minimizes the sufferings of the needy and poor members of society. While it is a most comforting consolation to the less fortunate, it is at the same time a loud appeal to everybody to roll up their sleeves and improve their lot. To the needy one, it means that it is by nature an emergency measure and that one should not depend on it completely but must do something for oneself as well as for others. To the contributor it is a warm invitation to earn more so that he/she can benefit more. To all parties concerned, it is, directly as well as indirectly, an open treasure for spiritual investment that compensates abundantly.

Zakaah was made compulsory in *Makkah* at the same time as *Salaah*. This can be seen in the chapters of The *Qur'an* where the laws of *Zakaah* are mentioned. The amount, distribution, etc. was defined in *Madinah Tayyibah* in the second year *Hijrah*.

THE VIRTUES OF ZAKAAH

Allah ﷾ says in the Qur'an :

وَاَقِيۡمُوا الصَّلٰوةَ وَاٰتُوا الزَّكٰوةَ ؕ

WA ’AQĪMUṢ-ṢALĀTA WA ĀTUZ-ZAKĀH

"And perform Salaah and give Zakaah."

Al Baqarah 43

وَمَاۤ اُمِرُوۡۤا اِلَّا لِيَعۡبُدُوا اللّٰهَ مُخۡلِصِيۡنَ لَهُ الدِّيۡنَ ۙ حُنَفَآءَ
وَيُقِيۡمُوا الصَّلٰوةَ وَيُؤۡتُوا الزَّكٰوةَ وَذٰلِكَ دِيۡنُ الۡقَيِّمَةِ ؕ ۵

WA MĀ ’UMIRŪ ILLĀ LIYA`BUDUL-LĀHA MUKḤLIṢĪNA LAHUD-DĪN. ḤUNAFĀ’A WA YU’QĪMUṢ-ṢALĀTA WA YU’TUZ-ZAKĀTA WA DHĀLIKA DĪNUL-QAYYIMAH.

"And they were commanded not, but that they should worship Allah, and worship none but Him Alone (abstaining from ascribing partners to Him), and perform Salaah and give Zakaah, and that is the true religion."

Al Bayyina 5

خُذۡ مِنۡ اَمۡوَالِهِمۡ صَدَقَةً تُطَهِّرُهُمۡ وَتُزَكِّيۡهِمۡ
بِهَا وَصَلِّ عَلَيۡهِمۡ ؕ

KHUDH MIN AMWĀLIHIM ṢADAQAH. TUṬAHHIRUHUM WA TUZAKKĪHIM BIHĀ WA ṢALLI `ALAYHIM.

"Take Sadaqah (alms) from their wealth in order to purify them and sanctify them with it."

At Tawbah 103

يَمْحَقُ اللّٰهُ الرِّبٰو وَيُرْبِى الصَّدَقٰتِ ط
وَاللّٰهُ لَا يُحِبُّ كُلَّ كَفَّارٍ اَثِيْمٍ ﴿٢٧٦﴾

YAMḤAQUL-LĀHUR-RIBĀ WA YURBĪṢ-ṢADAQĀT. WALLĀHU LĀ YUḤIBBU KULLA KAFFĀRIN ATHĪM.

"*Allah destroys wealth obtained from interest and will give increase for deed of charity*"

Al Baqarah 276

Rasulullah ﷺ has said:

1. "*The nation that does not give Zakaah, Allah ﷻ will bring about a drought on them (i.e. necessities of life will become scarce)*".

   Bukhari

2. "*The person whom Allah ﷻ has bestowed with wealth, who does not give Zakaah, on the Day of Qiyaamah, his wealth will be turned into a venomous bald serpent which will wind around his neck and bite his jaws and say: "I am your wealth, I am your treasure".*

   Bukhari

Abu Hurairah ؓ reported: A Bedouin came to the Prophet ﷺ and said: *"O Messenger of Allah ﷻ! Direct me to a deed by which I may be entitled to enter Jannah." The Prophet ﷺ said, "Worship Allah ﷻ, and never associate anything with Him, establish Salaah, pay the Zakaah which has been enjoyed upon you, and observe Saum (Fasting) of Ramadhan." He (the bedouin) said: "By Him in Whose Hand my soul is, I will never add anything to these (obligations) nor deduct"*

When he turned his back, the Prophet ﷺ said, *"He will be successful if he lives up to this claim"*.

Bukhari and Muslim

It is stated in the Hadith that by giving Zakaah the following benefits are derived:

1. Gaining of the pleasure of Allah ﷻ
2. Increase in Wealth
3. Protection from losses
4. A cause is established for Allah's ﷻ forgiveness and blessings are obtained
5. Safety from calamities
6. Protection from the wrath of Allah ﷻ and from a bad death
7. The *Zakaah* will provide a shelter on the Day of Judgement
8. Security from seventy misfortunes
9. It will serve as a shield from the fires of *Jahannam*
10. It contributes to *Barakah* in wealth
11. It saves from fear and grief

There are two major benefits of giving Zakaah:

1. It keeps one away from sin and saves the giver from moral ill arising from the love and greed for wealth
2. Through *Zakaah,* the poorer class, (those who are not capable of providing for themselves) are cared for, such as widows, orphans, the disabled, the poor and the destitute.

THE PUNISHMENT FOR NOT GIVING ZAKAAH

Allah ﷻ says in the Qur'an:

"And there are those who hoard gold and silver and do not spend it in the way of Allah ﷻ, announce to them a most grievous penalty (when) on the Day of Qiyaamah heat will be produced out of that wealth in the fire of Jahannam, then with it they will be branded on

their foreheads and their flanks and backs. (It will be said to them). This is the treasure which you hoarded for yourselves, taste then the treasure that you had been hoarding".

At Tawbah 34

Abu Hurairah ﵁ reported: The Messenger of Allah ﷺ said,
"Any person who possesses gold or silver and does not pay what is due on it (i.e., the *Zakaah*); on the Day of Resurrection, sheets of silver and gold would be heated for him in the fire of Hell and with them his flank, forehead and back will be branded. When they cool down, they will be heated again and the same process will be repeated during the day, the measure whereof will be fifty thousand years. (This would go on) until Judgement is pronounced among (Allah's ﷻ) slaves, and he will be shown his final abode, either to *Jannah* or to Hell." It was asked, "How about someone who owns camels and does not pay what is due on him (i.e., their *Zakaah*)?" He ﷺ replied, "In the same way the owner of camels who does not discharge what is due in respect of them (their due includes their milking on the day when they are taken to water) will be thrown on his face or on his back in a vast desert plain on the Day of Resurrection and they will trample upon him with their hoofs and bite him with their teeth. As often as the last of them passes him, the first of them will be made to return during a day the measure whereof will be fifty thousand years, until Judgement is pronounced among (Allah's ﷻ) slaves, he will be shown his final abode either to *Jannah* or the Hell." It was (again) asked: "O Messenger of Allah ﷺ, what about cows (cattle) and sheep?" He ﷺ said, "If anyone who possesses cattle and sheep and does not pay what is due on them (i.e., their *Zakaah*); on the Day of Resurrection, he will be thrown on his face in a vast plain desert. He will find none of the animals with twisted horns, without horns or with a broken horn, and they will gore him with their horns and trample upon him with their hooves. As often

as the last of them passes him, the first of them will be made to return to him during a day, the measure whereof will be fifty thousand years, until Judgement is pronounced among (Allah's ﷾) slaves; and he will be shown his final abode either to *Jannah* or to Hell." It was asked: "O Messenger of Allah ﷾, what about the horses?" Upon this he ﷺ said, "The horse are of three types. One, which is a burden for the owner; another which is a shield, and another one which makes its owner entitled to reward. The one for whom these are a burden is the person who rears them for show or for pride or for causing injury to the sentiments of the Muslims. They will be a cause of torment for their owners. The one for whom these are a shield is the person who rears them for the sake of Allah ﷾ but does not forget the right of Allah ﷾ concerning their backs and their necks (i.e., he lets a needy ride on them), and so they are a shield for him. Those which bring reward to the one who rears them in pastures and gardens are the ones that are used in the Cause of Allah ﷾ (*Jihad)* by the Muslims. Whatever they eat from the meadows and the gardens will be recorded on his behalf as good deeds so much so that their droppings and urine will be counted for an equal number of good deeds for him. Even when they break their tying rope and every height from which they climb and every hoofprint which they leave will be counted as a good deed on behalf of the owner. When their owner leads them through a stream from which they drink, though he does not intend to quench their thirst, yet Allah ﷾ would record for him the quantity (of water) of what they would drink on his behalf as good deeds." It was asked: "O Messenger of Allah ﷾, what about the donkeys?" Upon this, he ﷺ said, "Nothing has been revealed to me in regard to the donkeys, in particular, except this one Verse of a comprehensive nature: "*So whosoever does good equal to the weight of an atom (or a small ant) shall see it. And whosoever does evil equal to the weight of an atom (or a small ant) shall see it."*

Bukhari and Muslim

AN IMPORTANT WARNING

One and all must bear in mind that despite there being numerous ways, where on a technicality *Zakaah* can possibly be avoided, he who adopts such ways, whether or not is lamented, will be punished in a far more severe manner than those who do not pay *Zakaah*.

The adoption of such deceit is tantamount to trying to deceive Allah ﷾, this can never happen. And Allah ﷾ has promised a hideous, painful punishment for such deceivers.

ON WHOM ZAKAAH IS FARDH

***Zakaah* is Fardh upon a person if:**

1. He is a Muslim
2. He is an adult
3. He is a sane person
4. He is a free person, not a slave
5. He owns wealth intended for trading to the value of Nisaab

Furthermore the wealth should be:

a. Fully owned
b. In excess of his personal needs (clothing, household furniture, utensils and cars etc. are termed as articles of personal use)
c. It should be possessed by him for a complete lunar year
d. Of a productive nature from which he can derive profit or benefit, such as merchandise for business, gold, silver, livestock, etc.

There is no *Zakaah* on effects that are not of a productive nature even if these are in excess of one's needs, such as cars, utensils, furniture etc. if such items are not intended for trade, sales or hire.

NOTE: *Zakaah* is Fardh. Any person who denies it being Fardh

(compulsory) loses his *Iman*. However, if he recognizes *Zakaah* being Fardh but neglects this duty, he will be termed a *Faasiq* (Transgressor).

TYPES OF WEALTH ON WHICH ZAKAAH IS FARDH

1. *Zakaah* is Fardh on gold and silver, be it in the form of bullion, jewellery, cash, bank notes, utensils or any other form. The value of these should be equal to the amount which is shown under *Nisaab* rate.
2. If the gold possessed is not equal to the value of 87.48 grams, or silver possessed is not equal to the value of 612.36 grams, but the value of both combined is equal to the value of either the *Nisaab* of gold or silver, then *Zakaah* will be Fardh.
3. In the event of an article not being of pure gold or pure silver, but containing a mixture of other metals and the gold or silver is more than the other metal, it will be regarded as gold or silver and *Zakaah* on this will be Fardh. But in the case where the metal is of greater quantity than either the gold or silver, *Zakaah* will not be Fardh on that article.
4. If a person has 600 grams of silver (which is less than the *Nisaab*) and before a whole year has elapsed he acquires 50 grams of gold (which is also less than the *Nisaab*) then the value of this gold must be added to the value of the silver, and thereafter the *Nisaab* reckoned. The two must not be reckoned separately, as this will be a cause of avoiding *Zakaah*.
5. *Zakaah* is Fardh on merchandise for business, equal to the value of *Nisaab*.
6. *Zakaah* is Fardh on livestock.
7. *Zakaah* is Fardh on the income of properties, if it is equal to the value of *Nisaab*.
8. *Zakaah* is Fardh on the income derived from a hiring business, such as crockery, motor cars, vans, trucks etc.

TYPES OF WEALTH ON WHICH ZAKAAH IS NOT FARDH

1. *Zakaah* is not Fardh on any other metal besides gold and silver.
2. *Zakaah* is not Fardh on fixtures and fittings of a shop, motor car, truck or any delivery vehicle etc., which is used in running of a business.
3. There is no *Zakaah* on diamonds, pearls and other precious or semi-precious stones which are of personal use. *Zakaah* is payable on the gold or silver used in making jewelery with diamonds, pearls, etc. There is no *Zakaah* on imitation jewelery.
4. There is no *Zakaah* on any number of living quarters, household furniture, crockery, personal clothing, whether they are in use or not. However, *Islam* does not justify extravagance.
5. There is no *Zakaah* on a person whose liabilities exceed or equal to his assets.
6. A person possesses *Nisaab* but owes money, which if deducted from one's wealth, will leave one with an amount not equaling or exceeding *nisaab*.

ANIMALS ON WHICH ZAKAAH IS FARDH

1. It is compulsory to give *Zakaah* on camels, cattle, water buffaloes, goats and sheep. (any such animal that can be slaughtered for *Qurbani* in terms of *Shari'ah*) when they:

a. graze in the open field for the greater part of the year and are not stall fed,
b. are kept for milk, breeding or fattening. Such animals are termed '*Saa-imah*'.

2. *Zakaah* on *Saa-imah* animals is calculated on number and not value therefore stud or thoroughbred animals and crossbred animals are treated alike for *Zakaah* purposes.
3. Where animals are kept for trade, *Zakaah* will be calculated and given as is done in commercial establishments. (i.e. on the monetary value of each animal) The *Nisaab* is the same as that of trading.

4. If one has a mixed flock of goats and sheep and the number of each kind individually makes *Zakaah* applicable then the *Zakaah* of each respective group will be given from its own kind.
5. When the number of each type of animal individually does not make *Zakaah* binding, but the total of both kinds does amount to the *Nisaab,* then *Zakaah* will be given from the type of animal that is greater in number.
6. If both are equal in number, one has the option of choosing the *Zakaah* animal from whichever kind he desires. It must be noted that the *Zakaah* animal should be of a good quality.

ANIMALS ON WHICH ZAKAAH IS NOT FARDH

1. Animals that are stall fed for six months of the year and then left to grace on the field for the remainder of the year are not '*Saaimah*' and thus no *Zakaah* will be liable on their owner.
2. There is no *Zakaah* payable on animals which are reared for riding or for drought purposes or for one's own use or consumption.
3. There is no *Zakaah* on wild game.
4. There is no *Zakaah* on horses, donkeys and mules if they are not for trade.
5. There is no *Zakaah* on a herd which consists of calves only i.e. until they reach a capable age of breeding. If such a herd has one animal that could be used for breeding, then *Zakaah* will have to be given on all of them. In this case if the amount for Zakaah equals one animal that particular full grown animal will have to be given as *Zakaah*. If this animal which is capable of breeding dies, then *Zakaah* will still be necessary on the rest of the herd of calves.
6. *Zakaah* is not applicable on sheep that are less than twelve months old.

NISAAB AND RATE OF ZAKAAH

The amount of wealth which makes one liable for *Zakaah* is called *Nisaab*.

The payment of Zakaah is compulsory on the excess wealth or effects which is equal to/or exceeds the value of Nisaab, and which is possessed for a full Islamic year. If such wealth decreases during the course of the year, and it increases again to the value of the Nisaab before the end of the year, the Zakaah then must be calculated on the full amount that is possessed at the end of the year.

THE NISAAB OF GOLD AND SILVER

The nisaab of gold and silver fixed by Rasulullah ﷺ is as follows:

NISAAB		GRAMS	TOLAS	GRAINS	TROY OZ
Gold	**20 Mithqaals**	**87.48**	**7.5**	**1350**	**2.8125**
Silver	**200 Dirhams**	**612.36**	**52.5**	**9450**	**19.6875**

This does not mean that the above is the amount to be given but it means that this is the threshold. That means those who have this much in gold or silver or its value in cash are obliged to give Zakaah, as it has become Fardh on them.

The rate of Zakaah which was fixed by Rasulullah ﷺ is 2.5% (1/40) i.e 2.5 pence in a pound.

THE TIME AND NISAAB OF ZAKAAH, FOR LIVESTOCK

1. The owner must have possession of animals for one lunar year before Zakaah becomes Fardh.
2. The Nisaab for Saa-imah animals is governed by the number of animals in ones ownership and not by the monetary value of each animal. (Refer to tables for detail)

TABLE OF ZAKAAH FOR CATTLE AND WATER BUFFALOES

The Nisaab (minimum number) when Zakaah becomes applicable is forty animals which are more than twelve month old. There is no Zakaah if the number is less than forty.

NUMBER	ZAKAAH
	1 Year Old
40-120	1 Animal
121-200	2 Animal
201-399	3 Animal
400	4 Animal

Thereafter for each additional hundred, one sheep that is one year old must be given as Zakaah.

TABLE OF ZAKAAH FOR CATTLE AND WATER BUFFALOES

The Nisaab when Zakaah becomes applicable for the above is thirty animals. There is no Zakaah if the number is less than thirty.

NUMBER	Z A K A A H	
	1 Year Old	2 Year Old
30-39	1 Animal	
40-59		1 Animal
60-69	2 Animal	

Thereafter, in every thirty animals, one animal of 1 year old should be given; and in every forty, a 2 year old animal should be given as Zakaah.

NUMBER	Z A K A A H	
	1 Year Old	2 Year Old
70	1 Animal	1 Animal
80		2 Animals
90	3 Animals	
100	2 Animals	1 Animal
110	1 Animal	2 Animals
120	4 (1yr old) Animals Or 3 (2yr old) Animals	

THE NIYYAH (INTENTION) OF ZAKAAH

1. It is Fardh to form a niyyat for the fulfilment of *Zakaah*.
2. When giving *Zakaah* to a needy person, the niyyah should be that, "*I am giving this as Zakaah*". If the niyyah is not made the Zakaah will not be valid.
3. It is not necessary to reveal to the needy person to whom *Zakaah* is given that the cash or kind which is being given to him is *Zakaah*.
4. When one has put aside an amount for *Zakaah* with the intention that he will give it to the needy, and at the time of giving *Zakaah* he forgets to make the niyyah, the *Zakaah* will still be valid.
5. If one gives a deserving person some money as a gift but makes the niyyat of *Zakaah*, the *Zaakah* will be valid.

THE METHOD OF DISTRIBUTING ZAKAAH

1. *Zakaah* is Fardh at the rate of 2.5%.

TABLE FOR WORKING OUT ZAKAAH

TYPE OF WEALTH	VALUE ADDED FOR ZAKAAH	VALUE SUBTRACTED
NISAAB EQUALS Date...../...../..... .... _________		
MONIES		
CASH ON PERSON		
CASH IN SAVINGS		
CASH TO BE RETURNED (LENT TO OTHERS) a... _________ b... _________ c... _________		
CASH OWED (BORROWED FROM OTHERS) a... _________ b... _________ c... _________		
INTEREST ACCUMULATED .... _________	**MONEY TO DISPOSE**	
GOLD AND SILVER VALUE OF GOLD Date...../...../..... .... _________ VALUE OF SILVER Date...../...../..... .... _________		
GOLD IN ORNAMENTS / JEWELLERY / COINS ETC		
SILVER IN ORNAMENTS / JEWELLERY / COINS ETC		
GEMS AND PRECIOUS STONES FOR PERSONAL USE	**IGNORE**	
BUSINESS		
TOOLS, MACHINES, UPHOLSTERY, ETC.	**IGNORE**	
STOCKS (COST PRICE - NOT SELLING PRICE)		
FLOAT (CASH IN HAND)		
OVERHEADS TO PAY FOR PRESENT PERIOD (IF PAID IGNORE)		
PROPERTIES FOR PERSONAL USE OR NOT INCOME-GENERATING	**IGNORE**	
PROPERTIES ON RENT (INCOME GENERATING)		
POSSESSIONS FOR PERSONAL USE	**IGNORE**	
INCOME GENERATED FROM POSSESSIONS		
TOTALS		
TOTAL ELIGIBLE FOR ZAKAAH (AFTER SUBTRACTION)		
ZAKAAH TO GIVE (2 ½ PERCENT OF TOTAL)		

2. *Zakaah* should be given as soon as possible after it becomes due. It is possible that death could occur and thus lead to failure in fulfilling ones obligations, for which one may be punished.
3. A poor man cannot be paid for his work from *Zakaah*, nor can *Zakaah* be given in payment of anyones services, except when an Islamic government pays salary to a person appointed by the government to collect *Zakaah*.
4. *Zakaah* will only be valid if the recipient is made the owner of that amount.
5. *Zakaah* cannot be given or used for the construction of Masjids, madrasahs, hospitals, wells, bridges or any other public amenity.
6. Poor students can be given a bursary from *Zakaah*. If the student is of an understanding age, the *Zakaah* must be given to him personally; and if he is not of an understanding age, then his Shar'ee Wakeel (parents or legal guardian) must be given possession of the amount.
7. *Zakaah* can be paid in kind from the same merchandise on which it is due, or alternatively, it could be paid in cash. It is of vital importance to ensure at all times that the recipient is made the OWNER of the *Zakaah*.
8. Authority can be delegated to another person or organisation for the distribution of *Zakaah* in order that it be utilised in accordance with the laws of *Zakaah*.
9. If a person requests someone to give a certain amount on his behalf as *Zakaah,* and that sum is given out, then that *Zakaah* will be valid. The sum given will be a debt upon the one who make this request.
10. If an agent is given *Zakaah* for distribution, and he does not distribute it then the *Zakaah* will not be regarded as fulfilled, and the sin of not discharging the obligatory duty of *Zakaah* will remain a burden on whom it was Fardh.
11. It is *Afdhal* (best) to give one's *Zakaah* when it is due, rather than wait for *Ramadhan*.

TO WHOM ZAKAAH CAN BE GIVEN (Masaarif)

The recipients of Zakaah according to the Holy Qur'an are as follows:

> *"Zakaah (contributions of cash money, merchandise, animals etc.) are for the poor and the needy; and those who collect them; for those whose hearts are to be reconciled; and to free the captives and the debtors; and for the cause of Allah; and for the wayfarer; A duty ordained by Allah. And verily Allah is all Knowing, all Wise".*
>
> *At Tawbah 60*

- **FUQARAA:** People who are poor and who possess more than their basic needs but do not possess wealth equal to *Nisaab*.
- **MASAAKEEN:** People who are destitute and extremely needy to the extent that they are forced to beg for their daily food ration.
- **AL 'AAMILEEN:** Those persons who are appointed by an Islamic Head of State or Government to collect *Zakaah*. It is not necessary that this be a needy person (This is a wage).
- **MUALLAFATUL QULOOB:** Those persons that have recently accepted *Islam* and are in need of basic necessities. Such person would benefit from encouragement and assistance by the Muslims which would help strengthen their faith of *Islam*.
- **AR RIQAAB:** Those slaves that are permitted to work for renumeration and have an agreement with their masters to purchase their freedom on payment of fixed amounts.
- **AL GHAARIMEEN:** Those persons that have a debt and do not possess any other wealth or goods with which they could repay that which they owe. It is conditional that this debt was not created for any un-Islamic or sinful purpose.
- **FISABILILLAH:** Those persons that have to carry out a Fardh deed which has become obligatory on them and subsequently (due to loss of wealth) are unable to complete that Fardh.

IMPORTANT: A common misunderstanding about the term Fi'sabililah has misled many to believe that this includes all types of charitable deeds. The Commentaires of the Holy *Qur'an* and *Ahaadeeth of Rasulullah* ﷺ do not support this view.

- **IBNUS SABEEL:** Those persons who are *Musaafir* (travelers in view of Shari'ah) and during the course of their journey do not possess basic necessities, though they are well to do at home. They could be given *Zakaah* in order to fulfill travel needs to return home.

IMPORTANT: All the above mentioned recipients must be Muslims, and all excluding *Al Aamileen* must be those who do not possess the *Nisaab*. This is a major difference between *Zakaah* and *Sadaqah*, i.e. *Sadaqah* can be given to people who have means, whereas *Zakaah* cannot. And also *Sadaqah* can be given to non-Muslims whereas *Zakaah* cannot.

1. It is not permissible in the *Shari'ah* to give *Zakaah* to a person who owns merchandise or wealth in excess of his needs to the value of *Nisaab* nor is it permissible for such a person to accept *Zakaah*.
2. A person that a does not own an amount equal to the value of *Nisaab* is known as *Faqir*. This person could be given *Zakaah* and it is permissible for him to accept *Zakaah*.
3. A person owns wealth which in value exceeds the amount of *Nisaab*, but this wealth is not intended for business nor does he require it for his daily needs. Such a person is regarded as well to do and should not be given *Zakaah*.
4. The books of a scholar or tools of a tradesman are among his necessities, irrespective of their value. Besides these, if he does not own wealth equal to *Nisaab,* he could be given *Zakaah*.

5. When giving *Zakaah, Sadaqah* etc., one's poor and needy relatives should be given preference. To avoid embarrassing them, it should be given to them without mentioning that it is *Zakaah* or *Sadaqah*.
6. There is great reward in giving *Zakaah* to poor persons who are striving in the way of the *Deen* or those who are engaged in religious knowledge, or to religious institutions where poor and needy students are being cared for. Care should be taken that only such institution are given *Zakaah,* where it is used according to the *Shari'ah*.
7. A child of a wealthy father cannot be given *Zakaah*. When such a child becomes mature in age, and does not own wealth to the value of *Nisaab,* he may then be given *Zakaah*.

8. ZAKAAH CAN BE GIVEN TO A:

- brother or a sister
- nephew or a niece (brothers and sisters children)
- uncle or aunt (both paternal and maternal)
- step grandfather or step grandmother
- father in law or mother-in-law

PROVIDED THEY DO NOT POSSESS NISAAB.

PERSONS THAT CANNOT BE GIVEN ZAKAAH

1. *Zakaah* cannot be given to *Banu Hashim*. The *Banu Hashim* are all the children of Fatimah (R.A), all the members of Rasulullah's (R.A) family and wives (R.A.)
2. *Zakaah* cannot be given to parents, grandfather etc. In the same manner, one's children and grandchildren cannot be given *Zakaah*. A husband and wife cannot give *Zakaah* to each other.
3. *Zakaah* contributions cannot be given to such institutions or

organisations who do not give the rightful recipients *(Masaarif)* possession of *Zakaah*, but instead use *Zakaah* funds for construction, investment or salaries.

4. *Zakaah* cannot be given to non-Muslims. The same ruling applies to *Wajib Sadaqah* i.e. *Sadaqatul Fitr, Kaffaarah, Ushr* and *Nazr*. *Nafl Sadaqah* can be given to non-Muslims.
5. If one cannot determine whether the recipient is needy or not, then it is better to make certain before giving them *Zakaah*. If *Zakaah* is given without inquiry and subsequently it is known that the recipient is wealthy then the *Zakaah* is not valid. It has to be given again.
6. *Zakaah* will not be fulfilled by purchasing books for an institution, or land purchased for public utility and made *Waqf*.
7. *Zakaah* cannot be used for the *Kafn* of a deceased person, because at that time he/she cannot become the owner.
8. A deceased person's debt cannot be paid from *Zakaah*.

WHEN IS ZAKAAH FARDH ON A CREDITOR

A person is obliged to give *Zakaah* on money or valuable owing to him, whether it be a loan or a business debt.

This applies only if the debtor acknowledges that he owes the amount or promises to pay it; or if on the contrary he refutes the claim, and there are witnesses or documentary proof to support such claim by which it could be recovered through a judiciary.

Loans are basically of three types:

1. QAWI (Secure Loan)

a) If cash, gold or silver has been given as a loan or when merchandise has been sold on terms and the payment is received after a year or

two; and the value of the amount owing is that of *Nisaab*, then this is called a *Qawi* loan, and therefore, *Zakaah* for those years prior to payment will be Fardh.

b) In the case where this loan is repaid in instalments, if the repayment received equals to one fifth (20%) of the *Nisaab, Zakaah* of this one fifth becomes Fardh. If several years have passed, then *Zakaah* must be given for all the past years. *Zakaah* of the past years has to be calculated annually in units, each unit being twenty percent of the *Nisaab*.

   Government bonds are of this category and *Zakaah* has to be paid on recovery of this loan as described above.

c) If any such loan is not equal to Nisaab, then Zakaah will not be Fardh; but if this loan together with other excess wealth which is in ones possession when combined becomes equal to Nisaab, then Zakaah will be Fardh on the combined total of both amounts.

2. MUTAWASSIT (Insufficiently secure loans)

a) If a loan is not cash, gold, silver or merchandise (as mentioned in 1. (a) above) but in personal effects sold (old clothes, house-hold items, etc) or is a property which was sold and the value of it is that of *Nisaab,* then it is called a *Mutawassit* loan. Thus *Zakaah* for those years prior to payment will not be Fardh.

b) If this loan is equal to or in excess of *Nisaab* and is fully recovered after several years, then *Zakaah* on that amount is not Fardh for all the past years. However, if anyone in such an instance gave *Zakaah*, then such an act is rewarded by Allah ﷻ.

c) In a case where the repayment is made in instalments, then *Zakaah* will only be Fardh if the repayment is equal to *Nisaab* and is retained for a full Islamic year.

d) If the instalment received is less than *Nisaab*, but one is in possession of other wealth on which *Zakaah* is due (i.e. *Nisaab* on

the wealth, and *Zakaah* must be given on the total. It is not necessary for a year to pass over this Instalment that is received.

3. DHA'IF (Insecure loan)

a) If money owing to one, is not in lieu of cash, gold, silver, merchandise or personal effects or property which is sold; but is due to outstanding inheritance, bequests, Mehr (dowry), salary etc, then it is called a Dha'if loan.

b) *Zakaah* will become Fardh when these monies are received and they are equal to or in excess of *Nisaab*, and further that they are retained for a full Islamic year. There is no *Zakaah* for the years that have passed before receiving these amounts.

c) There is no *Zakaah* on Provident and Pension funds. *Zakaah* must only be paid on these amounts after they are received from such funds provided the amount is equal to or in excess of the *Nisaab* and is retained for a full Islamic year.

NOTE: Some *Ulama* have categorized these funds as *Qawi* or *Mutawassit* loans, and thus *Zakaah* becomes obligatory on the contributions for the past years as well. It is therefore advisable that as a precautionary measure *Zakaah* should be paid for the past years on these as well.

ZAKAAH ON MERCHANDISE

1. Articles that are purchased for resale are referred to as merchandise. The *Nisaab* for *Zakaah* on merchandise is the same as that for cash, i.e. if the value of the articles is equivalent to the value of 87.48 grams of gold (7.5 tolas = 1350 grains =2.8125 troy ounces) or 612.36 grams of silver (52.5 tolas = 9450 grains = 19.6875 troy ounces), or more, then it will be Fardh to give *Zakaah* at the rate of 2.5% or one fortieth.

2. *Zakaah* is Fardh on the following items when drawing up a balance (calculating) sheet

a. Stock in trade

b. Goods in transit (which have been paid for)

c. Cash in hand

d. Outstanding cash and loans; (when repaid and if they are equal to *Nisaab*)

e. Cash at bank

f. Savings account

g. Fixed deposits

h. Sundry outstanding; (when repaid and if they are equal to *Nisaab*)

i. Claims (acknowledged)

j. Other savings - household balance; sundry cash.

3. All these must be added as one amount, and after subtracting the creditors amount and/or any other liabilities, the balance which is the profit must be added to the capital. *Zakaah* must then be given on this combined figure.

4. *Zakaah* should be given on the capital that exists at the end of the lunar year, which includes the profit, eg. at the beginning of the year the capital is £2,000.00 When the year ends a profit of £500.00 is shown. *Zakaah* must be given on £2,500.00.

5. If a bad debt is recovered and it is equal to or exceeds the *Nisaab*, then *Zakaah* on all the past years must be given.

6. If one has various different types of merchandise, then the total value of all the goods should be calculated. If it is equal to or exceeds the value of *Nisaab* then it will be necessary to give *Zakaah*.

7. At the beginning of the year, if one has the full *Nisaab* and during the year that amount decreases and by the end of the year possession of the full *Nisaab* is regained then it will be Waajib to give *Zakaah* on this amount.

8. If one mixes Halaal and Haraam merchandise and the amount is

equal to or exceeds the Nisaab at the end of the year then it will be necessary to give Zakaah.

9. It is customary to write the price paid for the merchandise at stock figures. Zakaah should NOT be calculated on these stock figures. For Zakaah purposes PURCHASE PRICE of the merchandise should be used.
10. If few persons are partners in a company and if any one share of the partners is equal to or exceeds Nisaab then it will be necessary for that partner to give Zakaah.
11. Stock for Zakaah purposes must be calculated according to the Islamic (lunar) year.
12. Zakaah is Fardh at the ruling price on shares held in a company at the end of every Islamic year. As machinery, land, fixtures and fittings, furniture, buildings etc. are exempt from Zakaah, one is allowed to subtract these from the total assets. This could be obtained from the company's annual report, for example, if one has shares worth £100.00 and the machinery, land etc, are worth 5% of the total assets of the company, then deduct £5.00 for machinery, land, fixtures and fittings, furniture and buildings (the exempted Zakaah items). Thereafter deduct the liabilities of the company proportionately to the percentage of shares held, and the Zakaah must then be calculated on the balance.
13. When *Zakaah* is given on a capital amount once, and thereafter if this same amount remains with the owner till the following year then Zakaah will be due again. *Zakaah* will be Fardh repeatedly after every Islamic year has elapsed.

DECREASE IN WEALTH BY THE END OF THE ISLAMIC YEAR

1. If *Zakaah* on wealth has not been given at the end of the Islamic year, and all that wealth either gets lost or stolen, then such wealth

is exempted from *Zakaah*. If one deliberately gives away or destroys his wealth then *Zakaah* still remains Wajib.

2. After a full Islamic year has elapsed, and incidentally without the *Niyyah* of <u>Zakaah</u> if one gives away all his wealth to charity, then that amount of wealth is exempted from *Zakaah*. In a case where he only gives away part of that wealth, then *Zakaah* will be due on the remainder, if it is equal to *Nisaab*.

NOTE: If a person is obliged to pay *Zakaah* on £10,000 namely the sum of £250 and he sets aside this amount with a view to paying his *Zakaah*. This sum of £250 is thereafter lost, not given it or stolen, results in the *Zakaah* obligation not being discharged. If he dies in this state it will constitute part of his estate to be transmissible to his heirs, and for the failure of not giving Zakaah, he will be held liable.

RELATED HADITH TO ZAKAAH

Abu Hurayrah رضي الله عنه reported: When The Messenger of Allah ﷺ passed away, Abu Bakr رضي الله عنه was appointed as his successor (caliph). Amongst the Arabs some men became apostates (left Islam). Abu Bakr رضي الله عنه resolved to fight them. 'Umar bin Al-Khattab رضي الله عنه said to Abu Bakr رضي الله عنه: "How can you fight them when The Messenger of Allah ﷺ has declared: 'I have been commanded to fight people till they testify ***La ilaha illallah*** (there is no true God except Allah); and if they do it, their blood (life) and property are secured except when justified by law, and it is for Allah to call them to account"' Upon this Abu Bakr رضي الله عنه said: "By Allah سبحانه وتعالى, I would definitely fight he who makes distinction between Salaah and the Zakaah, because it is an obligation upon the rich to pay Zakaah. By Allah سبحانه وتعالى, I will fight them even to secure the piece of rope which they used to give to The Messenger of Allah ﷺ" 'Umar رضي الله عنه said: "I realized that Allah سبحانه وتعالى opened the heart of Abu Bakr for fighting those who refused to pay Zakaah, and I fully recognized that Abu Bakr رضي الله عنه was right."

Bukhari and Muslim

SUMMARY

Due to the current situation of society only using monetary notes and coins, it has become increasingly easier to calculate the *Zakaah* due on a person. For a person who neither farms animals nor is involved in agriculture, all that needs to be taken into account is the following:

The amount of one's own cash in one's possession (be it on person, in the bank, or what one is owed. This can be money earned or income from additional houses, properties, etc) as well as the value of any gold or silver jewelry which one is possessor of,(necklaces, watches, etc, but not the gems or stones within them), and also, if one is involved in trade, then the value of one's stock at that time must also be included. This is one's accountable total.

If one is owing any debts, it too should be calculated then deducted from one's accountable total.

Note: The possession of one's spouse or major children (mature according to *Shari'ah*) need not be included, as they are obliged to give *Zakaah* on their possessions. If they do not understand the *Shari'ah's* implications, the father should assist in it's calculations. Minor children's possessions are classified as their father's, if he is not alive then as their mother's.

Thereafter one has to make sure it reaches the threshold of *Nisaab*, (the value of 612 grams of silver or 87 grams of gold (the lesser of the two). If it is reached, *Zakaah* is an obligation, if it is not reached, then *Zakaah* is not an obligation.

Note: Due to the constant fluctuation of the value of gold and silver, one should endeavor to find out what is the rate at the time of

calculating one's *Zakaah*. This is not difficult to ascertain, as details can be found from newspapers, jewelers, etc.

Once it has been acknowledged that *nisaab* has been reached, then 2.5% should be calculated and given.

An example is given below.

Zaid had in *Ramadhan* last year £5,000 in his bank account, he knew that he had an amount totaling to more than what the *nisaab* was at that time. But in the month of Safar, Zaid had hit a low and due to expenditure had only £300 to his name. This was not equal to *nisaab*.

Zaid's situation then changed and this *Ramadhan*, he now has £200 pounds in hand, and a further £4,000 in his bank account. He also has money owed to him by Ahmed who owes him £80 and Umar who owes him £100. Zaid himself owes Adam £240, which he must deduct. Zaid thus has a total of £4,140.

Zaid also has a gold and crystal ornament at home. He had bought it three years ago for £1,200. He had taken it to the jewelers and had it valued. It was now valued at £1,300, but the gold content was valued at £1,000. So this would be the amount to add. Thus Zaid now has a total of £5,140.

Zaid is also into business and has been for five years. His trade stock has always fluctuated, but he has never fallen to bankruptcy. At the time of calculating Zakaah Zaid has £7,000 worth of goods which he can sell for £10,000. Zaid must add £7,000 to his running total. Zaid now has accounted for all his possessions and has a full total of £12,140.

Thus Zaid has had a year wherein at its beginning and end he possessed *nisaab*. Thus *Zakaah* is an obligation upon him.

Zaid has also found out that the value of 87 grams of gold is £650, and the value of 612 grams of silver is £500 pounds. If anyone were to ask Zaid what *nisaab* was he would say £500. Thus Zaid has found out that he definitely has nisaab, and that *Zakaah* is Fardh on him.

Zaid now must calculate what 2.5% of his wealth is.
He works it out thus,
£12,140 ÷ 100 = **£121.40** *(this is one percent)*
£121.40 x 2.5 = **£303.50** *(this is 2.5 percent)*

Alternately he can also work it out as:
£12,140 ÷ 40 = **£303.50** *(this is 2.5 percent direct)*

Thus Zaid has successfully calculated that he owes **£303.50 as Zakaah.**

MISCELLANEOUS POINTS REGARDING ZAKAAH

MORTGAGES AND LONG TERM LOANS

The issue of mortgages and long term loans often rises in the sense that those who have to pay off such monstrous sums, often find their savings to be far less than their debts. The question naturally would be asked, must such people pay *Zakaah*?

The generally accepted (although not unanimous) view is that anyone who has incurred a long-term loan, if paying in installments, has no difficulty paying the installments and still is able to gather surplus savings (which afford him luxuries, holidays, parties etc.) Is also required to offer *Zakaah*, and provided he has enough, is also required to perform *Hajj*. (This point is mentioned not to justify the taking of such loans, especially not those that involve interest, but due to such a large number of people who are involved in the repayment of such usurping loans, the above signifies what their duties are in regards to *Zakaah*)

DEFINITION OF THE TERM "POSSESSING FOR A FULL ISLAMIC YEAR"

This term must not be misconstrued to mean that each and every single penny has to be held on to for a full year before *Zakaah* would become Fardh.

The only aspect that a person ought to remember is that he must fix a date for when to start his year immediately when he has *Nisaab*.

Thereafter if during the course of the year his wealth increases or decreases even if by massive proportions, as long as he does not become totally pennyless, at the end of that year provided he still has *Nisaab,* he will give *Zakaah* on the amount he has (be it on person or owed) at that time.

In short he must commence and end a year with *Nisaab* for *Zakaah* to remain Fardh.

A POINT TO REMEMBER

With regards to the *Zakaah* rate of being only 2.5%, it does not mean that more alms cannot be given. Yes only that much would be counted as *Zakaah*, but whatever is surplus is not wasted. The meaning of numerous traditions tell us that he who spends even a small amount, with sincerity in the path of Allah سبحانه وتعالى, Allah سبحانه وتعالى will reward him to such an extent that such great rewards were never conceivable to him.

The poorer *Sahaba* complained to the Prophet ﷺ that their wealthy counterparts were excelling in reward, because all of them would be performing the same deeds, but they (the rich) would have the upper hand. the Prophet ﷺ replied to the effect that this wealth (i.e. that spent in the path of Allah سبحانه وتعالى) is a gift of Allah سبحانه وتعالى that he bestows upon whomsoever He pleases.